

INSURANCE REGULATORY TRUST FUND

State Investment Board

Balance Sheet

As of 6/30/2003

	As of <u>6-30-03</u>	As of <u>6-30-02</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 691,430	\$ 536,585
INTERNATIONAL EQUITIES	283,015	219,143
DOMESTIC FIXED INCOME	816,129	694,846
INVESTED CASH (NOTE 1)	<u>964,342</u>	<u>821,589</u>
 TOTAL INVESTMENTS	 2,754,916	 2,272,163
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	9,261	10,107
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	251,713	200,067
DUE FROM OTHER AGENCIES (NOTE 3)	<u>31</u>	<u>0</u>
 TOTAL ASSETS	 <u>\$ 3,015,921</u>	 <u>\$ 2,482,337</u>
LIABILITIES:		
ACCOUNTS PAYABLE	1,146	1,212
SECURITIES LENDING COLLATERAL (NOTE 2)	251,713	200,067
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>479</u>
 TOTAL LIABILITIES	 252,859	 201,758
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	2,280,579	2,327,671
CASH IN DURING YEAR (NOTE 5)	3,325,000	1,700,000
CASH OUT DURING YEAR (NOTE 6)	2,925,000	1,650,000
NET INCREASE (DECREASE)	<u>82,483</u>	<u>(97,092)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>2,763,062</u>	 <u>2,280,579</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 3,015,921</u>	 <u>\$ 2,482,337</u>

INSURANCE REGULATORY TRUST FUND

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2003

	Month Ended <u>6-30-03</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 5,332	\$ 49,431
SECURITIES LENDING INCOME	275	2,719
	<u>5,607</u>	<u>52,150</u>
 GAIN ON SALE OF INVESTMENTS	 13,619	 75,280
LOSS ON SALE OF INVESTMENTS	20,959	145,386
	<u></u>	<u></u>
NET GAINS (LOSSES) INVESTMENTS	(7,340)	(70,106)
 INVESTMENT EXPENSES	 220	 3,582
SECURITIES LENDING EXPENSES	219	2,271
SIB ADMIN EXPENSES	221	990
	<u></u>	<u></u>
NET INVESTMENT INCOME	(2,393)	(24,799)
 NET APPREC (DEPREC) MARKET VALUE	 16,043	 107,261
MISCELLANEOUS INCOME/(EXPENSE)	0	21
	<u></u>	<u></u>
TOTAL INVESTMENT INCOME	13,650	82,483
	<u></u>	<u></u>
NET INCREASE (DECREASE)	\$ 13,650	\$ 82,483
	<u></u>	<u></u>

INSURANCE REGULATORY TRUST FUND

State Investment Board SUPPLEMENTARY INFORMATION As of 6/30/2003

	As of <u>6/30/03</u>
ASSETS:	
INVESTMENTS (AT COST)	
LARGE CAP EQUITY	\$315,216
SMALL CAP EQUITY	152,635
CONVERTIBLE BONDS	<u>282,875</u>
TOTAL DOMESTIC EQUITIES	750,726
INTERNATIONAL EQUITY	346,950
FIXED INCOME	743,671
INVESTED CASH (NOTE 1)	<u>964,342</u>
TOTAL INVESTMENTS AT COST	<u><u>\$2,805,689</u></u>

INSURANCE REGULATORY TRUST FUND
Notes To Financial Statements
June 30, 2003

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 6 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.